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## Social entrepreneurship to develop ecotourism

Dohar Bob M. Situmorang<sup>a\*</sup>, Isti Raafaldini Mirzanti<sup>a</sup>

<sup>a</sup>*School of Business and Management, Bandung Institute of Technology, Ganesa 10, Bandung 40132, Indonesia*

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### Abstract

Ecotourism sounds unfamiliar to the most of the Indonesian's ear up to now, although this term was first introduced in the early decades of the 90s. Ecotourism offers a form of travel that is different from mass tourism. More than just offering beautiful unspoiled panoramic, ecotourism provides a learning process to protect and to care the nature, and to improve the welfare of local communities surrounding or within the area of ecotourism destination.

A study was conducted to find appropriate approaches for developing ecotourism. The main focus is given to the potential of a regional ecotourism, including human, culture, and supporting resources. Research was also conducted to determine the perspectives of tourists, because their needs' fulfilment cannot be separated from sustainability of destination. Analysis of data suggested, that the development of ecotourism areas should be based on empowering local communities by education, social entrepreneurship, and cultural preservation programs.

Social entrepreneurship can lead to social change for the better welfare and education. Social entrepreneurship will educate people about their nature as social beings, who have the responsibility to improve people's lives and to maintain their environment

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**Keywords:** ecotourism; social entrepreneurship; local communities

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### 1. Introduction

Ecotourism sounds unfamiliar to the most of the Indonesian's ear up to now, although this term was first introduced in the early decades of the 90s. Ecotourism offers a form of travel that is different from mass tourism.

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\* Corresponding author. Tel.: +62-22-2531923; fax: +62-22-2504249.

E-mail address: [situmorang\\_bob@yahoo.com](mailto:situmorang_bob@yahoo.com), [isti@sbm-itb.ac.id](mailto:isti@sbm-itb.ac.id).

Ecotourism is something new, but its market is increasing in Indonesia. Ecotourists, are very concerned about natural and cultural environment, and are eager to minimize negative effects on the environment, or even willing to pay higher for a quality vacation. Nowadays, most of tourists are not satisfied with current products, because it is homogeneous and mass. Increasing of natural and cultural awareness is the biggest factor that determines the growth of ecotourism, along with concern for the fact that the depletion of natural resources will only lead to social and cultural inequality in tourism destination (Situmorang, 2007).

Based on statistics, ecotourists spent more time in a travel, and spent more money per day, compared to other tourists (Oosterman, 1999). Furthermore, Oosterman (1999) said that initial estimation showed a little number of ecotourists will influence the local labor market and the regional domestic product significantly. Ecotourism development will create jobs, not just in tourism services such as restaurants, souvenir shops, and food, but will also impact on economic sectors. People who worked in an ecotourism destination will spend additional income in local area (such as for housing and consumer goods), which will create new jobs (Situmorang, 2007).

These facts show that the appropriate development of the ecotourism will improve the welfare of local communities surrounding or within the area of ecotourism destination. The development will also ensure environmental sustainability.

## 2. Definition

### 2.1. Ecotourism

The Ecotourism Society (TES)-now known as the International Ecotourism Society (TIES)-defines ecotourism as “responsible travel to natural areas that conserves the environment and improves the well-being of local people” (1995). Everyone who is conducting and participating in a responsible way has to implement the following principles (TIES, n.d.):

- Minimize impact
  - Build environmental and cultural awareness and respect
  - Provide positive experiences for both visitors and hosts
  - Provide direct financial benefits for conservation
  - Provide financial benefits and empowerment for local people
  - Raise sensitivity to host countries’ political, environmental, and social climate
- Ecotourism destinations in Indonesia have some characteristics (Oosterman, 1999):
- The number of visitors is reduced according to the distance between the destination and main international airport, Bali and Jakarta
  - Most of the sites are collaborating with international conservation organizations (WWF on the island of Komodo, UNESCO in Tana Toraja, etc.)

### 2.2. Social entrepreneurship

According to Brock and Steiner (2010), social entrepreneurship is the creation of social impact by developing and implementing a sustainable business model which draws on innovative solutions that benefit the disadvantaged and, ultimately, society at large (Fig. 1).

Social impact (see Table 2) should involve and prosper community or stakeholders (Brock and Steiner, 2010). Accordingly, social entrepreneurs have roles in terms of shaping social value in society and creating social value in a complex system of humanity. These are several goals of creating social value; reducing the amount of poverty, improving health care, and experiencing through climate change.

Table 1. Existing ecotourism sites

Location	Connections to international airport	Foreign visitors	Type of attraction	Symbol
Komodo Island	2 x week	30,000	Natural	Komodo dragon
Tana Toraja	2 x week	12,000	Cultural	Toraja house
Sumbawa	5 x week	5,000	Cultural	Horseriding
Ujung Kulon	Over land	75,000	Natural	Rhinoceros
Lembah Baliem	2 x week	5,000	Cultural	-

Source: BFMP in Oosterman, 1999.

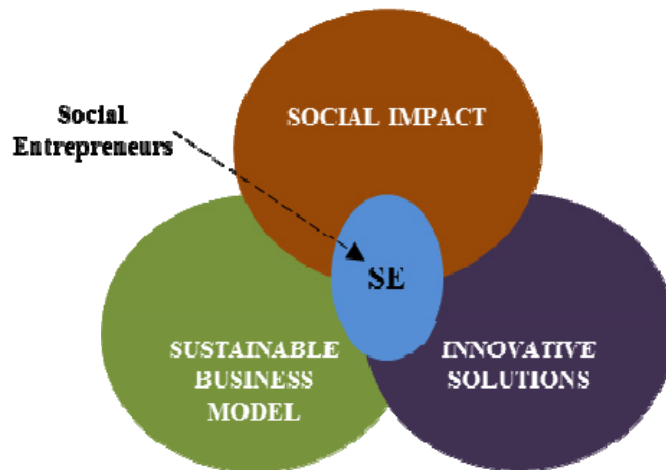


Fig. 1. Social entrepreneurship (Source: Brock and Steiner, 2010.)

Table 2. Social entrepreneurship impact

Area	Social entrepreneurship
End goal	Lives changed
Timeframe	Long term social impact
Owners	Non-profit, for-profit, and hybrid forms
Rewards	Serving the community/public good
Market orientation	Underserved markets
Target market	Ultimately beneficiaries and community
Needs	Reducing needs
Customer orientation	Empowerment
Value creation	Social value
Growth orientation	Scaling social impact
Impact	Solutions to social problems, eliminate the needs

Source: Brock and Steiner, 2010.

Fig. 2 shows position of social entrepreneur based on typology of venture (Neck et al., 2008). Based on literature study, then venture is called a social entrepreneurship if covers several things such as they change system, innovative, replicable, empower beneficiaries, scaling social impact, measurable, ultimately, and sustainable (Ashoka in Brock and Steiner, 2010).

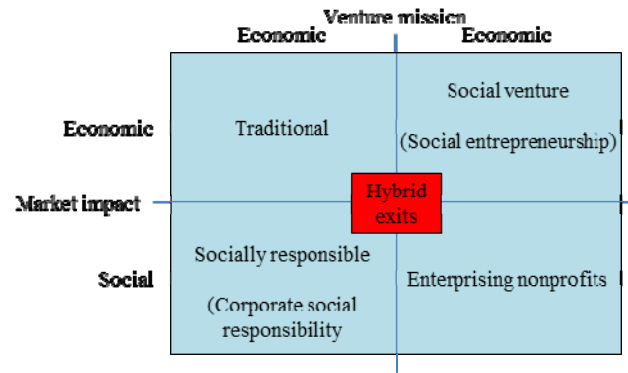


Fig. 2. Typology of venture (Source: Neck et al., 2008.)

Social entrepreneurship practice covers most of the basic principle of entrepreneurship, however social entrepreneurship more focus on searching and recognizing process of opportunity and pursuing opportunity to create social value (Duke University, 2003 in Brock and Steiner, 2010). Social entrepreneurs slightly different with entrepreneurs in general, they aware and responsive to generate profit and intent to achieve and sustain their mission, yet profit is not their end goal (Dees and Haas, 1998). Profit is not the gauge of value creation; nor is customer satisfaction; social impact is the gauge whereby “mission-related impact becomes the central criterion, not wealth creation.” Social entrepreneurship consequently is the act of marshaling resources to develop a social enterprise. Based on Gray, Healy, and Crofts (2003 in Brock and Steiner, 2010) a social enterprise refers to a broad set of approaches that use business acumen to address social goals such as market research, efficiency and impact evaluation. They solve social problem innovatively, using opportunity based oriented, and actively searching new alternatives to achieve positive social impact significantly (Dees, Emerson, and Economy, 2002). Social entrepreneurship is the act of carrying out community interests using entrepreneurial approaches (Zappalà, 2001). Social enterprises encompass the notion that business expertise can be employed to a public cause in order to relocate economic and social resources to disadvantaged groups and people (Crofts and Gray, 2001). It involves a wide span of actions, such as profit making ventures carried out by not-for-profits, community economic development, social responsibility projects and cross-sector partnerships (Dees and Haas, 1998).

### 3. Research

#### 3.1. Methodology

A study was conducted to find appropriate approaches for developing ecotourism. The main focus is given to the potential of a regional ecotourism, including human, culture, and supporting resources. Research was also conducted to determine the perspectives of tourists, because their needs’ fulfillment cannot be separated from sustainability of destination.

This study used exploratory method that was divided into focus group discussion (FGD) and in-depth interviews. Furthermore, it was analyzed and confirmed by literature studies to obtain comprehensive results.

FGDs were conducted two times; with respondents for each were five and four. Respondents were university graduates and aged between 20 to 35 years old. Four respondents were taking graduate program and the others have worked. FGDs were conducted primarily to determine the perceptions and expectations of customers towards ecotourism development. In-depth interviews were conducted on four respondents.

Respondents were university graduates and aged between 20 to 50 years old. Two respondents have awareness and concern for the preservation of nature, while two others are regular tourists. Selection of respondents was referred to Oosterman (1999), who stated that children are generally not taken to remote sites; ecotourists are single professionals or elderly couples.

### *3.2. Research Site*

This study was expanded from Situmorang (2007) thesis, which used Mansalaar (Mursala) Island as research site. Mansalaar is part of the Central Tapanuli, North Sumatra, Indonesia; located in the southwest of the port city—Sibolga. Its mainland and isles around it are dominated by tropical rainforest. Fine sandy beaches and coral cliffs can be seen throughout the island. Mansalaar surrounded by a bunch of atolls (Nuarta, 2007).

## **4. Findings and Analysis**

### *4.1. Findings*

In this research, we found the experiences, needs, and expectations about ecotourism destination, as described below:

#### *Awareness of ecotourism*

In general, the respondents did not have the awareness of ecotourism. Respondents had never heard of and did not understand the “ecotourism”. Based on some answers to questions about ecotourism sites, respondents could not distinguish ecotourism with other forms of tourism such as agrotourism and beach/sea tourism. After being briefed, some respondents said that they had implemented ecotourism and had obtained explanation of ecotourism destination, such as nature reserves, Ujung Kulon [located in the south-western tip of Java, Banten, Indonesia], Ujung Genteng [located on the south coast of West Java, at the Indian Ocean in the Ciracap District, Indonesia (Suryana, 2012)], and Yosemite Park [located in the Sierra Nevada Mountains (Malloy, n.d.), California, USA].

#### *Early perceptions*

During the study, respondents were introduced to the concept of ecotourism. Almost all of respondents expressed their interest to visit ecotourism destination and approved the concept of ecotourism. One respondent was skeptical of a plan to develop ecotourism destination. He stated that his fear was the changing of concept, from ecotourism which offers adventure, to pleasure tourism which tends to exploit the nature and to shift local community culture. Respondents also gave attention to the things that can prevent them to come. The main barriers are distance and access factors, because the infrastructure and transportation facilities in Indonesia are generally inadequate.

#### *Needs*

Target market of tourism is the ones with very dense daily activities. They tend to look for a new atmosphere that can refresh their mind and physic. Respondents gave varying answers to their needs of tourism. One respondent stated that he was traveling to satisfy his curiosity, especially after he obtained the information and listened the experiences from the others who had trip. Another respondent stated that his main need was an adventure to speed his adrenaline. In general, respondents stated that the services provided

by the tourism areas have not been able to meet their needs and desires. Facilities have not been sufficient and less supportive to tourism activities. Respondents also argued that the offering attractions were monotonous.

#### *Expectations*

Respondents expected to visit a real natural ecotourism destination, the more natural the better. Spatial planning and development strategies must be made, so that the buildings and construction on the site does not destroy the nature. Local culture is one part that needs special attention. Nowadays, many hotels and tourism destinations in Indonesia serve western food, while customers want something traditional, which shows the characteristic of those areas. The same conditions applied on hotel buildings and their ornaments, which imitated the architecture from abroad and did not show typical features of the local culture. Respondents' expectation to the development of ecotourism destinations was the increasing of local economy. Sustainable development of tourism can ultimately improve the welfare of local communities.

#### *4.2. Analysis*

We found two key words to develop ecotourism based on the findings and TIES definition of ecotourism which contains “conserves the environment” and “improves the well-being of local people”. Both of these keywords can be realized through community-based organizations. Previous studies showed that the appropriate approach as a community-based organization is social enterprise which has the spirit and soul of social entrepreneurship.

Ecotourism is a field ripe for collaboration with social entrepreneurs (Wood, 2008). Gonzalo (n.d.) stated that social enterprises for ecotourism should be directed to community-based organizations. The statement was reinforced by Libosada Jr. (2009 in Asadi and Kohan, 2011), which said that in planning and managing an ecotourism area, the presence of local communities in natural resources is a very important thing. This requires that the ecotourism activities should benefit the local people (Asadi and Kohan, 2011).

Ecotourism development is done by social entrepreneurship programs aimed at creating awareness and concern for nature conservation and improving the welfare of local communities. Social entrepreneurship programs which conduct by social enterprise are divided into two parts, nature conservation and community empowerment. Some proposed activities related to nature conservation are:

#### *Ecotourism campaign*

Tourism campaign is conducted by holding conservation agencies and the government, which aims to raise awareness of conservation activities, to respect local culture, and to improve the life of the local people. Campaign is targeting all those involved in tourism activities, especially tourists. Over-exploitation of an area and cultural shift is a trend that happens to many tourism destinations. Through the campaign, local communities will be more aware, that they are not only role as object, but also role as subject of tourism, which have the right to obtain a better life and have the responsibilities in managing and preserving their own areas.

#### *Nature learning program*

Tourists are invited to interact with nature and see the biodiversity in ecotourism area. All activities are strictly controlled, so it does not cause negative effects on nature. Some examples of control are: tourists can only take pictures and not allowed to damage the plants, to litter, and to feed the animals. Tourists also will acquire knowledge that if nature is not conserved, then some species of animals and plants will extinct, the earth's temperature will be hotter, and climate change are getting worse.

### *Tree planting program*

As an added value, the social enterprise held a tree planting program to support the preservation of nature. Tourists will receive tree seedlings which then will be planted. The names of every tourist who carry out these activities are recorded and they must be responsible to finance the maintenance of their trees.

On community empowerment, the proposed activities are:

### *Community development*

- Building schools and providing scholarships
- Collaborating with local communities
- Educating people

Detailed explanation can be seen in Table 3 below:

### *Culture learning program*

Cultural assets are not only dances, crafts, or art. Some customers already saturated with monotonous cultural attractions. Programs which involve tourists in local people's daily lives are designed, without change the culture and do not adversely affect the communities around ecotourism area. This program will increase understanding and appreciation to local communities.

## **5. Conclusion**

Ecotourism is something new in Indonesia, but its market is increasing. It is a huge potential for economic development of Indonesia. It is emphasized by TIES, that beginning in 1990s; ecotourism has been growing 20-34% per year (Mastny, 2001 in TIES, 2006). Indonesia is blessed by natural beauty and biodiversity. It is very feasible and has great opportunity to be built and developed. It should be underlined that the development of ecotourism has to be implemented holistically and touches the whole society. In the other words, any attempt to develop ecotourism should be involve local communities, so that they can become the subject of development, and not merely as passive object. Studies show that the most appropriate approach of ecotourism development for the community is social entrepreneurship. Social entrepreneurship can lead to social change for the better welfare and education. Social entrepreneurship will educate people about their nature as social beings, who have the responsibility to improve people's lives and to maintain their environment.

Table 3. Community development program

Program	Objective
Building schools and providing scholarships	Improve the quality of education
Collaborating with local communities	<ul style="list-style-type: none"> <li>• Use of food crops and fisheries from local communities</li> <li>• Assist local people in producing handicrafts that can be sold to the tourists</li> <li>• Give priority to local communities in recruitment of employees; in addition to empowering, local communities have better understanding about local culture and nature</li> </ul>
Educating people	<ul style="list-style-type: none"> <li>• Increase knowledge to use natural resources without damaging, e.g. teach people not to fish with explosives and to cultivate the land that appropriate with capacity of nature</li> <li>• Teach basic knowledge related to tourism, such as not littering, giving smiles, warm greetings, and hospitality to tourists</li> </ul>

Source: Situmorang, 2007.



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